



**METROPOLITAN  
TRANSPORTATION  
COMMISSION**

**TFWG Item 4**

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***Memorandum***

TO: Transit Finance Working Group

DATE: December 5, 2012

FR: Rebecca Long, Senior Legislative Analyst

W.I. 1131

RE: Legislative Update: MTC's 2013 Draft Advocacy Program

The Draft Advocacy Program for the 2013 state and federal legislative sessions is attached for your review and comment. The program includes efforts MTC will spearhead, as well as a number of items that MTC will actively engage in as bills are introduced. This final version of the 2013 Advocacy Program will be presented to the Legislative Committee on December 14 before going to the full Commission for approval later that month.

Attachment

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## 2013 DRAFT ADVOCACY PROGRAM

STATE		
Issue	Goal	Strategy
1. Cap-and-Trade	Secure cap-and-trade revenue to support transportation and implementation of SB 375 (Steinberg)	<p><b>FY 2013-14 Budget Strategy</b> Work closely with our Bay Area legislative delegation and members of the Brown Administration to ensure that transportation projects are included in the Department of Finance's three-year expenditure plan for the use of "cap-and-trade" revenue that is required to be submitted to the Legislature by May 2013. Staff will also participate in the public input process provided for in AB 1532 (Perez, 2012), which requires the Air Resources Board to hold at least two public workshops in different regions of the state and one public hearing <i>prior</i> to DOF's submittal of the expenditure plan.</p> <p><b>Long-Term Legislative Strategy</b> Support efforts to dedicate allowance revenue from vehicle fuels to transportation system needs that help support the implementation of sustainable communities strategies, as mandated by SB 375. MTC will be an active participant in the newly formed "Transportation Coalition for Livable Communities," which has organized itself around this common goal. In addition to MTC, the coalition also includes the California Alliance for Jobs, Transportation California, the California State Association of Counties and the League of California Cities, the Self-Help Counties Coalition and the California Transit Association, as well as the Sacramento Area Council of Governments and the Southern California Association of Governments.</p>
2. FY 2013-14 State Budget	Protect transportation funding from diversion to the General Fund	Partner with interested stakeholders, to protect transportation funds from diversion to the General Fund and advocate for a FY 2013-14 State Budget that best addresses the state's extensive transportation needs.

Issue	Goal	Strategy
3. Increase Transportation Funding	A. Authorize a statewide ballot measure to raise the vehicle license fee for public transit, local street and road repairs, and improvements to the state highway system	<p>To help close the region’s sizable funding shortfalls across all modes, MTC will engage in the efforts of Transportation California, a statewide coalition representing the construction industry, to raise the vehicle license fee (VLF) by 1.35 percent — returning the state rate to 2 percent, where it stood from 1948 to 2004 — and constitutionally dedicate the funds to transportation. Since any constitutional amendment requires voter approval, Transportation California plans to introduce legislation in early 2013 to place the measure on the 2014 statewide ballot. The measure is estimated to generate approximately \$4.5 billion per year.</p> <p>The preliminary plan for the expenditure of the funds builds on prior statewide measures such as Proposition 42 (2002). However, whereas Proposition 42 provided only 20 percent for public transit, with the remainder split 50/50 between the State Transportation Improvement Program (STIP) and local streets and roads, we will advocate for a more balanced distribution that provides 33% to public transit, 33% to local streets and roads and 33% to the State Highway Account — consistent with the Bay Area’s strong commitment to public transit in Plan Bay Area.</p>
	B. Lower the 2/3 super majority vote for local transportation taxes	Support proposals, such as ACA 23 (Perea) proposed in 2012, to assist in the passage of local transportation measures by amending the constitution to allow a city, county, special district or regional transportation agency to impose a special tax for transportation projects with 55 percent approval.
4. Implementation of MAP 21 (Moving Ahead for Progress in the 21 <sup>st</sup> Century)	Maximize the suballocation of federal funds to metropolitan areas	Work in partnership with the state’s other large metropolitan planning organizations to create a new framework for the distribution of federal funds under MAP 21, including the Surface Transportation Program (STP), the Congestion Mitigation and Air Quality (CMAQ), the new Transportation Alternatives Program, and the Highway Safety Improvement Program.

Issue	Goal	Strategy
5. California Environmental Quality Act (CEQA)	Update CEQA to curb its abuse by project opponents and speed up the environmental review process	<p>In collaboration with the Silicon Valley Leadership Group, MTC will engage in the process already underway in Sacramento to modernize CEQA. In particular, MTC will seek the following changes:</p> <ol style="list-style-type: none"> <li>1. Provide expedited review for projects that are consistent with an adopted Sustainable Communities Strategy with a certified environmental impact report (EIR).</li> <li>2. Curtail the ability of litigants to use CEQA to challenge statutorily adopted environmental standards with which projects already comply.</li> <li>3. Limit consideration of comments to those that are filed during the written comment period of the draft EIR to prohibit the practice of “data dumping” in order to delay adoption of an EIR.</li> <li>4. Modify the requirements for an EIR to be recirculated so that it doesn’t apply to changes made in direct response to public comment if mitigation or project changes can resolve the concern to a “less than significant” impact</li> <li>5. Allow a project’s long-term environmental benefits to be integrated into the CEQA review process up front.</li> <li>6. Narrow the scope of CEQA so that it would not apply to a transit operator considering service changes.</li> <li>7. Improve public disclosure requirements.</li> </ol>
6. Project Delivery	Seek opportunities to increase flexibility to deliver state, local and regionally-funded projects	<p>Work with Business, Transportation &amp; Housing Agency Secretary Brian Kelly and others in support of ways to expedite project delivery within the Department of Transportation (Caltrans). Support efforts to remove hurdles to efficient project delivery at the state, local and regional level, including, but not limited to providing greater flexibility in contracting methods, such as design-build, design-sequencing and construction management at risk.</p>

Issue	Goal	Strategy
7. Senate Bill 375 Implementation:	A. Increase regional and local planning funds	Engage with the State Department of Housing and Community Development (HCD) in the development of guidelines for \$50 million in infill incentive grants (\$25 million) and transit-oriented development grants and loans (\$25 million) from Proposition 1C (2006) funding that was reverted to the state as a result of projects that stalled as a result of the loss of redevelopment funding. Provide technical assistance and support to local jurisdictions seeking funding from these grants.
	B. Increase local funding options to replacement the loss of redevelopment funding to support economic development and affordable housing	Support efforts, such as SB 1156 (Steinberg) — which created a new avenue for local agencies to use tax-increment financing in support of projects consistent with sustainable communities strategies and was passed by the Legislature in 2012, but ultimately vetoed by Governor Brown — to provide new funding options at the local and regional level to help finance affordable housing construction and economic development near existing and planned public transit service.
8. Bridge Toll Revenue	Reduce toll evasion resulting from vehicles driving on toll bridges without license plates	In 2011, the Legislature enacted AB 1215 (Blumenfield), requiring electronic registration of all new vehicles, in part to speed up the delivery of the permanent license plate to the car's owner. Dealerships were given until July 2012 to comply with the law, so the impact of the legislation on toll violations as a result of “no plate” vehicles is unknown. Staff will monitor the impact of the new law, and, if warranted, resume efforts to require a camera-readable license plate be installed on every new or used vehicle at the point of sale.
9. Carpool Lanes	Protect the time-savings incentive to carpool	Oppose efforts to expand free access to carpool lanes for single-occupant vehicles as an incentive for the purchase of fuel efficient vehicles beyond that which is provided for in current law or for other non-transportation purposes.

<b>Issue</b>	<b>Goal</b>	<b>Strategy</b>
10. Parking Policy Reforms	A. Reform local parking mandates to support transit ridership and lower cost of housing near transit	Support efforts to reform parking policy to better manage parking supply and, where appropriate, to use pricing to encourage use of alternate modes, including public transit, carpooling and ridesharing. Support efforts to reform management of disabled parking spaces and permits in a manner that ensures accessibility for persons with disabilities.
	B. Improve compliance with state's parking cash-out law	Improve awareness of and participation in the state's parking cash-out law by requiring the Franchise Tax Board add a question to the corporate income tax form asking employers if they are subject to and in compliance with the law.
11. School Siting Reform	Require school districts to take state and local planning goals into account when siting new schools	Engage in efforts by the California Department of Education to revise its regulations related to school siting — which will affect schools built by a bond measure proposed for the 2014 ballot. Staff will advocate that the regulations ensure school districts take into account state goals related to promoting infill development, preserving open space and reducing greenhouse gas emissions when siting new schools, as well as local and regional plans.

<b>FEDERAL</b>		
<b>Issue</b>	<b>Goal</b>	<b>Strategy</b>
1. Pre-tax Transportation Fringe Benefits	Restore mode-neutrality in pre-tax transportation benefits	Continue our long-standing advocacy for parity between the pre-tax transportation fringe benefit allowed for public transit and vanpooling and that which is allowed for parking. Furthermore, condition the pre-tax allowance for parking expenses on an employer's offering of a cash-out option to all employees who are offered the parking subsidy.
2. Federal Appropriations	A. Maximize federal transportation appropriations for MAP 21 programs	Partner with local, regional, and statewide transportation agencies as well as national associations to ensure that Congress appropriates funding in fiscal years 2012-13 and 2013-14 consistent with amounts authorized in MAP 21.

2. Federal Appropriations (cont'd)	B. Advocate for Capital Investment Grant funding for Resolution 3434 projects	Seek annual Capital Investment Grant (commonly referred to as “New Starts”) appropriations to help implement the Regional Transit Expansion Program, Resolution 3434, consistent with the full funding grant agreements (FFGAs) approved for the San Francisco Municipal Transportation Agency (SFMTA) Third Street Light Rail/Central Subway project and the Santa Clara Valley Transportation Authority’s BART to Berryessa extension. Seek Small Starts funding for bus rapid transit projects sponsored by Alameda Contra Costa Transit District (International Boulevard) and SFMTA (VanNess Avenue).
	C. Seek increased funding for modernization of the region’s airports and air traffic control systems	Work with the National Alliance for the Advancement of Next Generation (NAANG) — a new coalition which MTC and the region’s major airports and business associations recently joined — to advocate for implementation of the Next Generation Air Transportation System, known as “NextGen.” The primary goals of NextGen are to enhance the safety and reliability of air transportation, to reduce delays in the nation’s skies and reduce aviation’s impact on our environment through more efficient use of fuel. According to FAA’s latest estimates, by 2018, Next Gen will reduce total delays (in flight and on the ground) by about 35 percent compared with doing nothing.
3. Increase Local/Regional Transportation Funding	Seek passage of the Marketplace Fairness Act in order to increase sales tax revenue available for transportation	Track and support efforts to enact the Marketplace Fairness Act (MFA), which seeks to apply state and local sales tax rates to e-commerce transactions. The MFA has the prospect of increasing funding for Bay Area transportation agencies as a result of increased revenue from county-based transportation sales taxes, the Transportation Development Act (TDA) funds — a key source of transit operating funding — and “AB 1107,” the permanent ½ cent sales tax for BART (applicable in Alameda, San Francisco and Contra Costa counties).